# GOVERNMENT OF INDIA
# POWER
# LOK SABHA

UNSTARRED QUESTION NO:536
ANSWERED ON:24.11.2006
DABHOL POWER PROJECT
Topdar Shri Tarit Baran

**Will the Minister of POWER be pleased to state:**

(a) the total cost (fund based and non-fund base

(d) involved in reviving Dabhol Power Project;

(b) whether such fund has been committed without firm commitment of LNG supply; and

(c) if so, the reasons therefor and the agency accountable for commitment of such huge fund without a fuel supply agreement?

## Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF POWER ( SHRI SUSHILKUMAR SHINDE )

(a) : As informed by the IDBI Ltd., the lead financial institution for the Dabhol Power Project, a cost (fund based and non fund based) of Rs.10,038 crore has been estimated in reviving the Dabhol Power Project.

(b) & (c) : A comprehensive restructuring plan for Dabhol Power Project has been finalized under the aegies of Empowered Group of Ministers (EGOM), Govt. of India (GoI). A comprehensive revival business plan was prepared and accepted by all the stakeholders. Out of the estimated revival cost of Rs.10,038 crores, the `acquisition price` was Rs.8485.45 crore

(which was already committed i.e. not freshly funded) at which Ratnagiri Gas and Power Pvt. Ltd. (RGPPL), the project special purpose vehicle, acquired the assets as per the consent terms approved by the Hon`ble Bombay High Court. As per the business plan for revival chalked out by the stakeholders, GAIL is required to source LNG on long term basis for commencement of operations concurrently with the commissioning of the power blocks. GAIL has so far not yet been able to tie up from LNG supplies. However, efforts are on by GAIL and other agencies under the aegies of the Ministry of Petroleum & Natural Gas (MoP&NG), which is facilitating the LNG/Gas tie ups for the power plant.

As per the latest status apprised by the MOPNG:

(i) Petronet LNG Ltd. (PLL) is discussing with RasGas, Qatar for import of 1.2 MMTPA LNG on short term basis from 2007-2009. PLL has reported that RasGas has confirmed supply of 3 cargoes every two months − meaning 18 cargoes during a year, i.e. 1.20 to 1.25 MMTPA. It is pertinent to mention that this is the maximum additional LNG, which PLL can handle, because of constraints of storage and regasification capacity. The price is under discussion between PLL and RasGas, Qatar.

(ii) GAIL is also holding discussions with Sonatrach, Algeria for supply of 1.2 MMTPA LNG on long term basis from 2009. Further discussions in this regard with Sonatrach are expected to be held in November/ December 2006 in Algeria. GAIL is also discussing with various other potential gas suppliers for sourcing LNG for the project on long term basis.